



**Creativity in Economic Development:  
Space in an Inferno**

*Silvia Sacchetti and Roger Sugden*

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## **Abstract**

Emphasising power in strategic choice, we consider people in actual and potential publics kindling their imagination and ideas so as to shape new directions in the economies in which they have an interest. The paper proposes *public creativity forums*, spaces defined by relations aimed at free communication and based upon shared values, including openness. Artistic activities are highlighted as a viaticum for people's creativity, hence for their potential significance in influencing development in any sector or region. These prospects are positioned in an analysis of transnational corporations, uneven economic development, choices over globalisation and regional competitiveness.

## **Keywords**

Creative space, Artistic activities, Strategic choice, Public interests

J.E.L.: Z10, O10, R10, P00

'The inferno of the living is not something that will be; if there is one, it is what is already here, the inferno where we live every day, that we form by being together.

There are two ways to escape suffering it. The first is easy for many: accept the inferno and become such a part of it that you can no longer see it. The second is risky and demands constant vigilance and apprehension; seek and learn to recognize who and what, in the midst of the inferno, are not inferno, then make them endure, give them space' (Calvino, 1972, 164)

## **1. Introduction**

Previous analysis suggests links between the development of economies and the stimulation of people's creativity. Both inter- and intra- country variations in development (Henderson *et al*, 2001) are associated with such links. Over recent years these arguments have often been framed in terms of achieving regional 'competitiveness' in a global market economy (Bristow, 2005), for example through innovation in industries in general (Florida, 2002a) and through the success of creative (or cultural) industries in particular (Caves, 2000) . In this paper, however, we examine the links from a different perspective. Having critically considered recent contributions on the impact of creativity based on accepted notions of competitiveness and prosperity, we offer a novel perspective that stresses a role for 'publics' in creatively shaping processes of economic development.

The association between creativity and innovation suggested by Florida (2002a) is that places with 'a high concentration of bohemians ... reflect an underlying set of conditions or milieu which is open and attractive to talented and creative people of all sorts ... and thus create a place-based environment that is conducive to the birth, growth and development of new and high-technology industries' (68). His focus is essentially market orientated, capitalist success, and his analysis could comfortably fit into commonly made arguments about regional competitiveness (see also Gordon and McCann (2005) on the geography of commercial innovation, creativity and entrepreneurship). Likewise could be said of many economic arguments about creative industries, which supply the 'goods and services that we broadly associate with cultural, artistic, or simply entertainment value. They include book and magazine publishing, the visual arts (painting, sculpture), the performing arts (theatre, opera, concerts, dance), sound recordings, cinema and TV films, even fashion, toys and games' (Caves, 2000, 1). The idea is that visual and performing arts, indeed cultural activities more generally, are associated with the production of goods and services that can be traded on markets

to desirable effect for particular localities and for particular sets of people in terms of wealth, employment opportunities and so on. Consider, for example, Caves (2000) on the geography of creativity; Neff (2005) on the digital media industry in New York; Leslie and Rantisi (2006) on urban economic development and the interplay between 'economic' and 'cultural' factors in Montreal's design economy.

We would agree that such analysis has interest and relevance, but our focus is quite distinct. We concentrate on creativity amongst people in general, rather than Florida's concern with bohemian groups or indeed a 'creative class' (Florida, 2002b), and rather than certain sorts of industries. Artistic activities are reasoned to be of significance because of their potential to stimulate creativity across all sectors. Moreover, our especial focus is not the attainment of competitiveness as commonly understood. We share the concerns of Bristow (2005) that, despite 'confusion as to what the concept actually means and how it can be effectively operationalised' (286), competitiveness has become a theory-leading, hegemonic discourse in public policy circles, especially in so-called developed countries. However we go further, questioning not only the assumed aims of competitiveness but, more specifically, the process for choosing those aims and, correspondingly, for choosing the means by which they are pursued. This is a governance-centric perspective.

Wojcik (2006) argues that 'economic geographers often talk about corporate governance, without mentioning the term or referring to corporate governance research, despite potential benefits from doing so' (640), but he goes on to assert that 'the time is ripe for economic geography research to examine corporate governance concepts and literature more explicitly' (640-641). We follow that assertion. Our analysis is grounded in an appreciation of large firm governance, albeit extending beyond such organisations and with a distinct emphasis on governance defined in terms of strategic choice (unlike in Wojcik (2006). Compare as well, for example, Leslie and Rantisi (2006), who pay no explicit attention to strategic choice *per se* and for whom governance of cultural industries refers in particular to the role of government and the state, markets and hierarchies).

Zeitlin (1974) argues that the power to govern (in other words, to control) a large corporation equates to the power to make the strategic decisions that determine its broad direction; these include decisions about its relationships with other corporations, with governments and with employees, and about its geographical orientation. More recently, this analysis has been used as a foundation for the so-called strategic choice framework, deploying a governance lens to view the activities of transnational corporations, networks and other forms of economic organisation, and to view regional, national and indeed global economies.

The basis of this framework is a heterodox economic analysis of the theory of the firm (Cowling and Sugden, 1998a), of the development of economies (Sugden and Wilson, 2002) and of forms of globalisation of production (Sugden and Wilson, 2005). The analysis focuses most especially on the governance of the transnational corporation and its impact on contemporary economies (*inter alia* Hymer (1972) on uneven development; Cowling and Sugden (1998b) on strategic international trade; Cowling and Tomlinson (2000) on Japan); hence on learning from the experiences of successful agglomerations in the likes of the Third Italy so as to nurture multinational networking in the public interest (see, for example, Cowling and Sugden (1999) on multinational webs; Sacchetti and Sugden (2003) on network forms; Sacchetti (2004) on knowledge; Branston *et al* (2006a) on the public interest).

Whilst the strategic choice framework offers a dynamic institutional perspective that rejects a particular stress on the neoclassicism at the heart of both regional science and 'new economic geography' (Boschma and Frenken, 2006), its foundations nevertheless reflect, and can be argued to contribute insight on, concerns at the core of economic geography. For example, Scott (2004) asserts that economic geography is especially focused on two areas of study: on the one hand transnational corporations, globalisation, etc., and on the other hand spatial agglomeration analysis, rooted in the apparent success of particular regions like the Third Italy. These are precisely the areas of study providing critical foundations to the strategic choice approach.

In this paper we use such an approach to consider creativity in economic development. In doing so we would also stress that our general research preoccupation is not with disciplinary boundaries, hence not *per se* with any one notion of the likes of 'economics', 'geography' or 'economic geography'. It is with the scientific analysis of (aspects of) economies, our working definition of an economy being: a complex of people whose (interacting) relations, behaviour and actions have consequences for how production is organised, hence implications for the satisfaction of (human and other) interests.<sup>1</sup> There can be no doubt that the ideas relevant to understanding an economy so conceptualised encompass at their core

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<sup>1</sup> The stress on people's relations behaviour and actions is rooted in the seminal views of Marshall (1920) and Robbins (1932), and the focus on production and organisation is in line with Backhouse (2002). We would also highlight that the definition is relatively open in terms of what people might seek from an economy, encapsulating material and non-material dimensions; and it removes Marshall's centre-stage concern with mankind in favour of considering human *and other* interests.

spatial factors, as both determinants and outcomes. They clearly also entail myriad complex factors, and a consequence of bounded rationality is that our research does not presume to be all encompassing. Instead, we seek a coherent perspective that offers significant insight.

The analysis proceeds as follows. Section 2 lays the foundations for our appreciation of creativity by considering in detail the strategic choice approach to economic development, competitiveness and globalisation, rooting analysis in understanding of the transnational corporation. This leads to an examination of the distinction between private and public interests, hence the possibility of the latter as a criterion for economic geography to assess realities. It concludes that public interests tend to be marginalised in people's typical experiences and, with that in mind, Section 3 focuses on the kindling of people's creativity so that they might shape new strategic directions in the economies in which they have an interest. We advocate 'public creativity forums' and explore what that would mean. Section 3.1 discusses a notion of 'creative atmosphere', related to but distinct from Marshall's (1920) concept of industrial atmosphere. Section 3.2 considers visual and performing arts, music, cinema and indeed artistic activities more generally as a viaticum for the stimulation and expression of people's creativity, thus a potentially significant influence on strategic direction across all sectors. Section 4 offers concluding remarks: a summary, and a suggestion to consider new action research in economic geography.

## **2. Power and uneven development**

The concentration of power and uneven development are in many respects well recognised in economic geography. For example, Henderson *et al* (2001) review analysis of uneven development across and within countries, and its relation to issues such as trade, investment, technology, urbanisation and income. For them, 'the most striking fact about the economic geography of the world is the uneven distribution of activity' (81), reflected in 54% of world GDP being produced by countries occupying 10% of the land mass. Similarly Coe and Yeung (2001), asserting that not only is 'uneven development ... the single most visible structural outcome of globalisation processes' (370), it has been studied by radical geographers since well before globalisation became a key word in the social sciences in the 1990s. Moreover, they identify two elements to the unevenness, structural (different impacts across sectors in a given territory) and geographical (variations across territories), and relate the latter to 'uneven power relations underlying most global production chains such that some segments of these chains have disproportionately greater power and control over other segments' (371). It is

notable that this recognition of concentrated power applies not only to the power associated with particular regions, but also to that of particular firms. Consider for example Fold (2001), highlighting the impacts of large producers in the chocolate industry in Europe on cocoa production in West Africa, and linking those with the influences of the structural adjustment programmes stimulated by the World Bank and International Monetary Fund (IMF).

What has tended to be ignored in these analyses, however, is a consideration of strategic choice as the source of power, hence as a root cause of uneven development.

The potential significance of this perspective was indicated in the heterodox economics literature by Hymer's (1972) seminal contribution – also well before globalisation became a popular concern in the social sciences. He recognised transnational corporations as likely to be especially influential organisations in the world economy, and contemplated what this would imply by extrapolating from an appreciation of their place in the historical development of US capitalism. Hymer argued (*ibid*, 50):

'One would expect to find the highest offices of the [transnational] corporations concentrated in the world's major cities ... These ... will be ... major centres of high-level strategic planning. Lesser cities throughout the world will deal with the day-to-day operations of specific local problems. These in turn will be arranged in a hierarchical fashion: the larger and more important ones will contain regional corporate headquarters, while the smaller ones will be confined to lower level activities. Since business is usually the core of the city, geographical specialisation will come to reflect the hierarchy of corporate decision making, and the occupational distribution of labour in a city or region will depend upon its function in the international economic system.'

Hymer's analysis has been criticized in its details because it simplifies a complex reality, yet it has also been argued on the basis of the empirical evidence that if it is accepted for the characterisation that it purports to be, then it offers insight (Dicken, 1992; Cowling and Sugden, 1994). Indeed, his analysis has received increased theoretical and empirical attention over the last decade.

### *2.1 The strategic choice framework*

The focus on corporations and strategy is taken up in Cowling and Sugden (1998a), grounding analysis in Coase (1937, 1991) but critiquing mainstream economic theories, including the transactions cost approach that rests on Williamson

(1975). Accommodating debates about differences across corporations with their 'homes' in different countries, not least the idea of distinctions between Anglo-US and Japanese firms (Aoki, 1990), as well as debates about flexible specialisation - reorganisation by large corporations along lines implied by successful agglomerations of small firms in, for instance, the Third Italy (Sabel, 1988) - the strategy perspective reasons that large corporations are characterised by an essential symmetry: a concentration in the power to make strategic decisions over the direction of production. Drawing on Zeitlin (1974), the basic idea is as follows (see also Branston *et al*, 2006a; Bailey *et al*, 2006):

- A transnational corporation can be shown to have an explicit and/or implicit strategy that is more or less coherent;
- This strategy encompasses the aims of the corporation, both what those aims are and the broad terms for their pursuit;
- The strategy is especially (albeit not all) important in determining the activity that the corporation undertakes;
- The strategy has determinants, including choices that can be conscious and/or unconscious;<sup>2</sup>
- The power to choose its strategy equates to the power to govern the corporation: to govern is to have the ability to choose – subject to constraints – both the aims of the corporation, and the broad terms for their pursuit;
- The power to govern typically lies with a subset of those with an interest in the corporation's activities, despite the objections and perhaps resistance of other interested parties.<sup>3</sup>

Sugden and Wilson (2002) apply this perspective to a consideration of the development of economies. They position Hymer's (1972) analysis of uneven development in the context of the agenda supplied by the 'Washington consensus' (Williamson, 1990; Rodrik, 1996), which places transnational corporations at its heart and a version of which has been a strong prevailing influence throughout most countries of the world since the early 1980s (as illustrated by Fold's (2001)

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<sup>2</sup> This perspective has strong ties with Penrose (1952, 818): 'there is considerable evidence that ... many decisions are reached after a conscious consideration of alternatives, and that men have a wide range of genuine choices.'

<sup>3</sup> The applicability of this perspective across countries and legal jurisdictions is implicitly addressed in a growing literature on convergence in corporate governance. See for example Wojcik (2006), examining practice across Europe and finding evidence of convergence to an Anglo-US model.



aforementioned analysis of the World Bank and IMF backed structural adjustment programmes in West Africa). Illustrating from South Africa and Nicaragua, and as with transnational corporations, they reason that insofar as the aims of economic development for a particular region are chosen, the process is typically characterised by a concentration of power, with the institutions at the core of the Washington consensus being especially influential – for example through the World Bank's (1999) emphasis on GNP *per capita*, or the UNDP's (1997) broader approach based upon its Human Development Index. This conclusion accords with Nelson Mandela's perception that 'people living in poverty have the least access to power to shape policies – to shape their future' (Mandela, 2006, 1).

The strategic choice framework recognises that, for any region, there are many people with an interest in its economic development, and many who might have a view on development aims (Branston *et al*, 2006b), it is just that in current practice they tend to have little or no effective voice. They would include those who currently live in the region, as well as those who might live there in the future, not least potential immigrants. Moreover, the development in and around the region would likely impact on, and be impacted by, development elsewhere – in other places in the same country, continent and indeed the world. People in those places might have interests that are relevant, and possibly experiences which they could exchange with others, so that together people and regions might all find more desirable development aims.

Analogous arguments to those about economic development are also made by Sugden and Wilson (2005) when analysing the conceptualisation of globalisation. They suggest that models of development correspond to models of globalisation. For example, the Washington consensus development agenda is associated with a Washington consensus form of globalisation; the aims of both are identical, and each implies a parallel set of strategic choices to the other. This reasoning overlaps with that in Coe and Yeung (2001), who stress that 'economic globalisation is not some kind of immutable inevitability, but a set of processes that is socially constructed, and therefore can be encouraged or resisted by actors/institutions at various scales' (368). In other words, we might view strategic decisions to pursue a Washington consensus development agenda as paralleled by strategic decisions to pursue a Washington consensus form of globalisation.

This perspective can also be extended to a consideration of competitiveness. Consistent with comments in this paper's Introduction, competitiveness is a conveniently flexible and loosely used concept; as Poerksen (1995) said of 'development', and as we might observe of 'globalisation', 'competitiveness' is a

plastic word. Nonetheless, it is interesting to note Bristow's (2005) observation that 'the regional competitiveness discourse ignores the possibility that regional prosperity might be achieved ... by the development of community or social enterprises which meet broader social and environmental ... objectives. As a consequence, policies tend to prioritise rather narrow, private sector originated agendas at the expense of broader regeneration initiatives' (295). That is to say, the aims of regional competitiveness are confined, provided by the private sector agendas that inform, and are therefore in line with, the Washington consensus development agenda which seeks, for example, to enable private enterprise and in particular transnational corporations to freely move goods, services and capital across economies.<sup>4</sup>

## *2.2 The interests of publics*

Bristow's (2005) recognition that private agendas occupy centre-stage can be re-interpreted as public interests being confined to the margins, causing us to raise the possibility that the interests of publics might provide a suitable evaluation criterion for economic geography. This follows Long (1990), who proposes the public interest as a criterion for research and policy in public administration and political science, and Branston *et al* (2006a), who suggest it for much of economics.

According to Dewey's (1927) seminal work in political and social philosophy, an action – such as making a strategic choice – might have significant consequences for two categories of people: private interests, those who are directly engaged in the action; public interests, those not directly engaged (see also Young, 2002). An action might be associated with multiple private interests and multiple publics. Each public is seen to have shared concerns.

Drawing on Dewey (1927), Long (1990) views a public interest as an evolving consensus, a criterion agreed upon by a public and against which private actions can be assessed. For him, therefore, the 'consequences of private parties' actions create a public as that public discovers its shared concern with their effects and the need for their control. The public's shared concern with consequences is a public interest' (171). Referring to this, Branston *et al* (2006a, 195) identify 'the public interest in a corporation's activities in general and in its strategies in particular as the agreed upon, evolving concerns amongst all of those indirectly and significantly affected by those activities and strategies (wherever they live, whatever their nationality).'

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<sup>4</sup> Compare Branston *et al* (2006b), offering the prospect of a conceptualisation of competitiveness that is much broader, albeit not arguing that broad approach is currently pursued in practice.

To illustrate, according to the strategic choice framework, to the extent that the aims of the typical transnational corporation, and the broad terms for their pursuit, are chosen, the decision is made by a subset of those with an interest in the corporation's activities. That choice by private interests impacts on others, on publics. Positive outcomes discussed in the literature include effects on technological transfer and contingent employment growth, commonly argued as potentially desirable consequences of incoming foreign direct investment with respect to the development of localities (see, for instance, the appraisal of transnationals' impacts in Dicken (2007)). However, even in these cases we would argue that an exclusion issue remains, and that technological transfer and employment growth induced by transnationals have their shortcomings (Blomström, 1986; Blomström and Kokko, 2002).

Consider also, for example, the implications for international trade. Cowling and Sugden (1998b) suggest that 'free international trade' implies the freedom of the private interests governing transnational corporations to manage trade in pursuit of their own interests, despite the possibly adverse impacts on others. This includes, for example, managing trade in pursuit of a divide and rule approach to labour. The idea is that the strategic decision-makers of a transnational corporation might be concerned to improve their bargaining power with respect to employees, so as to improve profits. Accordingly, a corporation supplying markets across Europe might deliberately opt to produce the same goods in various countries, so that if employee industrial action in one country interrupts supply, that might be compensated by an increase in supply from elsewhere (on the basis that collective action tends to be more problematic for employees across rather than within countries). Such strategies clearly have consequences beyond the private interests making the choice; not least, the affected employees are a public with an interest in the action.

Similar arguments could be made in the analysis of uneven development, globalisation and regional competitiveness. Following Hymer (1972), concentrations in the power to govern corporations have significant effects on levels of development, wealth and poverty; those in poverty in so-called less developed countries have public interests in the strategic choices of transnationals. Sacchetti (2004), for instance, applies Hymer's divide and rule strategy (Hymer 1972) to knowledge production and diffusion across countries. Referring to the international division of labour, and critical towards current faith in technological transfer, she argues – building on Marglin (1974) – that the geographical scattering of different activities, which follows strategic decisions taken by restricted groups organising activities transnationally, may jeopardise peoples' knowledge in those localities where

concentration of operational and repetitive tasks occurs. Vicious cycles, as path dependence theories would explain (Nelson, 1994), might then start to build up, affecting institutions, for instance in the education system, by shaping strategies in ways that suit the transnational production system, possibly disregarding the interests of different publics.

Likewise the analysis of globalisation, concentration of strategic decision-making power in a Washington consensus stimulated reality implying publics with interest that are not being met, as reflected in the frustrations and actions of so-called anti-globalisation movements. These are made up of diverse people and groups, most of whom are probably not against globalisation in the sense of using new technologies and opportunities to decrease the territorial barriers between people (Sugden and Wilson, 2005). They form interested publics, expressing their interests in protests against the outcomes of current forms of globalisation, and against the ways in which those outcomes are being pursued.

In principle a fundamental issue might be that public interests are being deliberately flouted, but even 80 years ago Dewey (1927, 314) identified another possibility, one that technological changes and the so-called new economy might make even more pertinent today (evidence of vociferous portions of anti-globalisation movements notwithstanding):

‘Indirect, extensive, enduring and serious consequences of conjoint and interacting behaviour call a public into existence having a common interest in controlling ... consequences. But the machine age has so enormously expanded, multiplied, intensified and complicated the scope of the indirect consequences ... that the resultant public cannot identify and distinguish itself.’

He sees a special problem with ‘the eclipse of the public’ (304), which ‘seems to be lost’ (308), ‘amorphous and unarticulated’ (317). For Dewey (*ibid*, 327), ‘the prime difficulty’ for acting in the public interest is discovery of ‘the means by which a scattered, mobile and manifold public may so recognise itself as to define and express its interests.’

### **3. Creativity, communication and public space**

An implication of our analysis of power, uneven development and strategic choice is that confining the interests of publics to the margins raises fundamental queries about the exercise of creativity in economic development. More specifically, excluding actual and potential publics from strategic choice processes would seem to

deny the people who make up those publics the opportunity to develop and use their imagination and ideas (their creativity) in the shaping and determination of economic strategy. For example, echoing the words of Bristow (2005), prioritising narrow, private inputs in the regional competitiveness discourse ignores the possibility that regional economic prosperity might be achieved by the development of innovative economic strategies that are stimulated by the imagination and ideas of currently excluded people, who might also catalyse the targeting of broader and even currently unimagined aims. This would have no import if the currently excluded people have no inherent creativity to bring to bear, but that seems most unlikely. Consider, for instance, the thoughts of Chomsky (1975) on the education of children. He argues that each person has an intrinsic, unique creativity and that this needs to be nurtured, hence he advocates education aimed 'to provide the soil and the freedom required for the growth of this creative impulse' (164).

Moreover, an exclusion of publics might be associated with a downward spiral: people's creativity is not being exercised, thus not stimulated, explored and enhanced; therefore their capabilities to exercise imagination are truncated and even lost; therefore their creativity is not exercised ... This might lead to, and be fed by, perceptions of 'not counting'. Dewey's (1927) focus on publics being eclipsed is also a relevant factor: perhaps a reason for the eclipse is an exclusion which, over time, becomes self reinforcing, resulting in a public losing sight of itself, of not even being aware of its own existence.

Viewed from the opposite direction, however, this analysis implies a challenge and potential opportunity: people in actual and potential publics might seek to kindle their imagination and ideas, to exercise their creativity, thereby attempt to seize opportunities to shape and determine strategic choices influencing the development of the economies in which they have an interest. Although the precise consequences that this might have are unclear, we would hypothesise that there would be opportunities to pursue new avenues of economic prosperity, simply because more people would be exercising their creativity and would be doing so in search of new strategies (Sugden and Wilson, 2005).

As for how to enable creative publics, a first step is suggested by Dewey's (1927) consideration of the means by which lost publics might find themselves. For him, 'the essential need ... is the improvement of the methods and conditions of debate, discussion and persuasion. That is *the* problem of the public' (365). The necessary continuous, inclusive discourse is argued to be in part an attitude acquired by nurtured habit, and he stresses knowledge, learning and communication:

‘An obvious requirement is freedom of social inquiry and of distribution of its conclusions ... There can be no public without full publicity in respect to all consequences which concern it. Whatever obstructs and restricts publicity, limits and distorts public opinion and checks and distorts thinking on social affairs. Without freedom of expression, not even methods of social enquiry can be developed. For tools can be evolved and perfected only in operation; in application to observing, reporting and organizing actual subject-matter; and this application *cannot occur save through free and systematic communication*’ (*ibid*, emphasis added, 339-340).

A related stress on communication is also seen in analysis of the competence-based view of the knowledge economy (reviewed in the context of economic geography by Gertler, 2001). For example, Amin and Cohendet (2000, 99) consider effective knowledge circulation in an organisation as associated with ‘dialogue, discussion, experience-sharing’, and to ‘socialising activities’. In issue are cognitive phenomena generated through interaction. There is a particular focus on ‘relationships, based on shared norms and conventions’ and on communities of practice, ‘groups of individuals informally bound together by shared expertise and a common problem’ (Gertler, 2001, 18). The reference to common problem echoes the common interest essential to a public, and suggests that the identification of publics might learn from analysis of communities of practice and the competence-based view of the knowledge economy more generally.

Accordingly we infer that creative publics might be enabled, in the first instance, by the construction and nurturing of ‘public creativity forums’, spaces where people - the members of actual and potential publics – can freely engage with each other in learning, discussion and debate about the development of the economies in which they have an interest; where people’s relations are characterised by shared values of openness, of their essence rejecting any significant influence of private over public interests, so as to avoid outcomes that are essentially similar to the current realities of concentrated power in economic development, competitiveness and globalisation; where people recognise and cultivate a concern with each other’s ideas and perspectives through reasoned and coherent understanding, so as to anchor the foundations for the interest of each public in rational argument and analysis. (Using the terminology of Scott (2006, 3), a public creativity forum can be viewed as a specific type of ‘creative field’, a notion that ‘can be used to describe any system of social relationships that shapes or influences human ingenuity and inventiveness and that is the site of concomitant innovations.’)

We hypothesise that with public creativity forums as a basis, people could start – with respect for each other and hence for publics – to discuss and talk with others, to share arguments and mutually influence ideas by increasing – through communication – the diversity of perspectives and possibilities on the strategic choices that underpin the development of economies.

### *3.1 Creative atmosphere*

It follows from our analysis thus far that public creativity forums would have an atmosphere in some ways similar to the ‘industrial atmosphere’ that Marshall (1920) identified as characteristic of certain places. He refers to people in an agglomerated industry receiving ‘advantages ... from near neighbourhood to one another. The mysteries of the trade become no mysteries; but are as it were in the air, and children learn them unconsciously’ (271). For example, ‘if one man starts a new idea, it is taken up by others and combined with suggestions of their own; and thus it becomes the source of further new ideas’ (*ibid*). Public creativity forums would be similarly spaces where the exercise of imagination and the pursuit of ideas are in the atmosphere; spaces where ideas flow between people, learning from each other, shaping each other’s perspectives.

However, a crucial difference is that when analysing industrial atmosphere Marshall (1920) is not especially concerned with strategic choices in an economy. Furthermore, whilst he considers place we focus on the more general notion of creative atmosphere conceived in socio-economic space.

In this respect our argument follows the likes of Lorentzen (2007) (see also, for example, Agrawal *et al* (2006), who use empirical evidence on patenting to consider the significance of social relationships in altering the impact of geographical proximity on knowledge flows; the discussions of relational proximity in Amin (2000) and Gertler (2001); and Boschma’s (2005) consideration of proximity concepts more broadly). Lorentzen refers to an agreement in the literature that knowledge is developed and exchanged in social spaces, but she criticises the tendency in research on regional development policy to degenerate this insight into territorial determinism; analysis tends to focus on place (industrial districts, milieus ...) rather than space, when it is the latter that is most relevant to knowledge flows and innovation.

The implication we draw from Lorentzen is that creative atmospheres can be generated and renewed through multi-dimensional spaces. In some circumstances these might include a special territorial dimension – a public creativity forum rooted in and developed from a particular region is certainly conceivable - but not necessarily.

More generally forums might develop in different, inter-acting and overlapping scales – for example in creativity festivals, conferences, meetings, projects (including university-linked projects) ..., both within and across territories, international and local (see also Dicken *et al* (2001) on multiple scales in the global economy).

### 3.2 Artistic activities

It was observed in the Introduction that the subject of creative industries – hence visual and performing arts, music, cinema and indeed artistic activities more generally – has become topical in large part because of their potential for contributing to wealth creation in a competitive market environment. However, an implication of our analysis is another, quite distinct explanation for a telling impact: because artistic activities are a viaticum for the stimulation and expression of people's creativity,<sup>5</sup> they are a potentially significant stimulant in the construction and development of public creativity forums. It can even be hypothesised that people's openness and access to artistic activities is a crucible for evolving public creativity forums.

This direction of causality accords with Scott (2004, 488): writing of the recent cultural turn in economic geography, he identifies 'a growing conviction that not only were certain earlier generations of geographers and other social scientists incorrect to regard culture simply as an outcome of underlying economic realities, but that these realities themselves are in fundamental ways subject to the play of cultural forces.' This is also a point long before recognised but since lost:

'Adam Smith, the master builder of models in both economics and ethics, was ... as thoroughly comfortable drawing his lessons from Hamlet as from Hume. Like the creator of a patchwork quilt, he dapples in dramas, dabs in novels, dusts in some poetry and bellows opera. *It is not simply that Smith likes and employs the arts. Rather ... Smith finds the arts essential for the task at hand – understanding and moulding human conscience* (Wight, 2006, 56, emphasis added).

Moreover, in urging the significance of artistic activities for the construction and nurturing of public creativity forums the intention is not to reduce art to an

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<sup>5</sup> Support for this assertion might come from artists themselves: *inter alia*, for Wordsworth (1802; quoted in Knowles, 1999, 832) 'poetry is the breath and finer spirit of all knowledge'; for Cartier-Bresson (1952; quoted in Knowles, 1999, 193) 'photography is the simultaneous recognition, in a fraction of a second, of the significance of an event as well as of a precise organisation of forms which give that event its proper expression'; for de Mille (1975; quoted in Knowles, 1999, 257) 'the truest expression of a people is in its dances and its music.'



instrument of economic development, which compares starkly with what Sir John Tulsa (managing director of London's Barbican Centre) sees as the approach of Tony Blair's UK government: 'what they have insisted is that the arts must fulfil a social, political, environmental, educational or economic purpose – in other words they must be an "instrument" for "delivering" other government policies. The impact on some museums and galleries, according to one observer, is that "scholarship, collection and curating are out of the window – the new breed of manager/directors is interested only in cramming into their buildings as many schoolchildren as possible"' (Tulsa, 2007, 11). On the contrary, although recognising that creative activities can have *ex post* consequences, we see neither art nor artists as an *ex ante* instrument for achieving any particular goals, instead hypothesising that the stimulation of people's creativity in the economic sphere is linked in a holistic sense to the freedom of artists to express themselves in whatever directions they see fit. In part the underlying intuition is that the link between economic creativity and artistic expression is simply that the latter, of its essence, without recourse to plans or instruments, provides a direct stimulant for activity in other areas, including in thinking about strategic choices for the development of an economy. In part it is the sense that only in an environment – a creative atmosphere – of artistic freedom can people be emancipated to realise the full potential of their creativity in the economic sphere; any attempt to plan *ex ante* functional consequences might limit the achievements of artistic activities, and in the extreme any restraint on artistic freedom risks the constraining of imagination and analytical powers more generally, including in the economy.<sup>6</sup>

#### **4. Concluding remarks: new directions for economic geography**

This paper offers a distinct perspective on the links between the development of economies and the stimulation of people's creativity. It emphasises strategic choice as a source of power, hence as a determinant of uneven development. The ideas are explored through a consideration of the nature of the transnational corporation, the development of economies, globalisation and regional competitiveness. Private interests are observed to occupy centre-stage in the realities people typically experience, and we suggest the possibility that the interests of publics might provide an insightful evaluation criterion for economic geography. The marginalisation of

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<sup>6</sup> Having recognised this, however, we would not suggest that it is necessarily desirable to free artistic activities from all and any ethical constraints. In particular, it might be argued that human and other species have inalienable rights.

publics is linked to their not being aware of their own existence, and from this we identify the prospect of people in actual and potential publics kindling their imagination and ideas so as to shape new strategic directions in the economies in which they have an interest.

Specifically, the construction and development of public creativity forums are advocated as an initial step in a possible alteration in strategic choice processes, perhaps moving current economic development and globalization processes from a Washington consensus based focus on narrow interests, hence uneven development, towards alternatives that break the constraints implied by typical approaches to regional competitiveness. These public creativity forums are viewed as spaces defined not in physical terms but according to the embracing of certain types of relations, namely those aimed at free communication about strategic choices on the development of economies and based upon shared values: openness; a rejection of private interests dominating the interests of publics; people's concern, through reasoned and coherent understanding, with each other's ideas and perspectives. Forums are described as having creative atmospheres in multi-dimensional spaces; they might develop in varied inter-acting and overlapping scales both within and across international and local territories. Echoing the words of Calvino (1972) with which the paper is introduced, they might provide spaces for people to step outside the economic inferno that most experience as a consequence of the ignoring of the interest of publics.

The paper identifies visual and performing arts, music, cinema and indeed artistic activities more generally as a viaticum for the stimulation and expression of people's creativity, thus a potentially significant influence on the construction and development of public creativity forums. This is an emphasis on artistic activities that differs markedly from the preoccupations of much other literature on creativity, certainly in economics, where analysis of creative industries tends to concentrate on a competition amongst peoples to produce outcomes that can be transacted on a market. In contrast, public creativity forums are concerned with the development and application of each person's creativity, whether or not this can be displayed and realised through goods and services that can be transacted on the market. From this perspective the significance of artistic activities is their stimulating affects on people, hence publics, with interests in any sector ('creative industry' or otherwise).

We would suggest that this analysis implies a new avenue for public policy: to provide supporting instruments for the development of public creativity forums. Included in this there is a clear opportunity for regional policy, for towns and localities

to foster the emergence of forums related to the economies in which their citizens have an interest.<sup>7</sup>

Moreover, because they have mutual learning, discussion and debate at their heart, another significant catalyst in forum formation and operation would be research and learning activities.

Information and knowledge would be crucial as both inputs and outputs to public creativity forums, perhaps suggesting that there is a sense in which any education system might provide suitable catalytic effects. However, the implications of Chomsky's (1975) perspective are that something more particular would be ideal. We referred earlier to his comments about people's intrinsic creativity. From that basis he argues that the purpose of education is not 'to control' a person's 'growth to a specific, predetermined end, because any such end must be established by arbitrary authoritarian means; rather, the purpose of education must be to permit the growing principle of life to take its own individual course, and to facilitate this process by sympathy, encouragement, and challenge, and by developing a rich and differentiated context and environment' (164). In other words, Chomsky appears to reject the concentration of power in the governance of people's creative potential as a necessary consequence of each person having – and being able to develop – their own intrinsic creativity. Accordingly, we infer a correspondence between on the one hand public creativity forums grounded on Chomsky's analysis and, on the other hand, education processes that similarly nurture and encourage people's intrinsic creativity.

A specific dimension of these education processes would be universities aimed at providing research and learning activities on such a basis, in particular without concentration in the power to determine their strategic direction (on which see Sugden's (2004) application of the strategic choice framework, rejecting an approach to the organisation of universities which mimics transnational corporations). This has implications not only for how each university is governed, but also for how universities relate to each other and for their regional spread (on which see

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<sup>7</sup> Policy support at national and supra-national levels might be considered a direct confrontation to the extant powers of transnational corporations and other organisations, such as the World Bank and IMF, which are currently so influential in setting agendas for development, globalisation and competitiveness. Hence it might be especially prone to undermining from that power, implying that sub-national levels might be deemed particularly appropriate spheres for policy action.

Andersson *et al* (2004), discussing Sweden's policy to decentralise higher education).

Furthermore, our analysis points to the desirability of new studies in economic geography. For example, research to show more precisely what would be entailed in shifting the interests of publics to centre stage, not least in the context of particular cases. Likewise the detailed effects of such a shift; it is one thing to reason that concentrated power in strategic decision-making is associated with uneven development and a constraining of people's creative capacities (as has been done in this paper), it is another to present scientific empirical evidence on the hypothesis that unleashing wider creativity through enabling publics would open new opportunities to pursue new avenues of economic prosperity. There is also a pressing need for cooperation across researchers with particular expertise in economic geography and those with particular knowledge about artistic activities, with the objective of better understanding the stimulatory effects of such activities in the economic sphere.

We envisage research on, for example, the economy of particular places (urban and non-urban) positioned in their broader spatial context, so as to identify actual and potential publics with interests in the development of the economy; to study those interests - their formation, expression and influence – in their different, interacting and overlapping scales; to examine creativity in those publics and, included in that, consider ways in which that creativity is and might be stimulated through artistic activities so as to impact on the strategic direction of economic activity.

Perhaps most significantly, however, we urge researchers in economic geography to consider engaging in embryonic public creativity spaces, and indeed contributing to their being conceived; to think about designing and undertaking their work in active attempts to catalyse the development of such spaces.<sup>8</sup>

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<sup>8</sup> On the relation between science and society, and most notably on aspects of what sustained interaction would entail, see the discussion of regional science in Barnes (2004), whose approach has overlaps with the more general analysis of networks in Dicken *et al* (2001).

the *International Festival on Creativity and Economic Development* (Gambettola, Italy, May 2007), where parts of the paper were discussed.

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